

Process for Considering New Benefit Proposals

The Board will maintain a register of all proposals for benefit changes sorting them into the following groups:

1. Potential technical corrections identified by staff, Department of Retirement Systems or other agencies.
2. Proposals by board members.
3. Proposals by plan members, employers and the public.

Proposal shall remain on the register for two years unless withdrawn by the sponsor or acted on by the board.

In order to provide stakeholders and the public with ample opportunity to comment on proposed changes and to understand their potential impact on plan members, beneficiaries and on rates, the board will consider proposed benefit changes from the register in the following manner:

Every proposal submitted to the board will start as an "initial proposal". Initial proposals will have a brief description of the proposal prepared by staff.

In order for a proposal to move to the next step, a majority of the board need to agree to move the proposal to the "preliminary stage"

When a proposal moves to the preliminary stage, the staff will develop a detailed summary of the proposal and identify key issues the board must decide to prepare an actuarial estimate on the proposal. At this stage the board may invite public and stakeholder comment.

The next stage would be "full consideration". In order to give a proposal full consideration, the board staff must prepare or obtain:

1. Statutory or regulatory language describing the benefit.
2. Legal review by counsel.
3. An analysis by the board's actuary of the impact of the change.
4. Supporting analysis and descriptive information to permit plan members, employers and the public to provide comment on the proposal.

In a public hearing at the full consideration stage, the board shall review the materials above and take public testimony before acting on the proposal.